

# 2023 BALLOT MEASURE GUIDE AND FAQ





**YOUR VOTE  
YOUR VOICE**

**ALL IN FOR  
OUR COMMUNITY**

[www.countmeincolorado.org](http://www.countmeincolorado.org)

## **COUNT ME IN**

is a robust civic engagement effort that reaches into communities across the state to educate Coloradans about the issues they will see on their ballots. Count Me In is a collaborative effort among nonprofit groups who focus on equity, economic justice, and public finance. The primary focus is to spark community conversations about the power we have to influence the public investments that shape our communities.

**CAN COLORADO  
COUNT ON YOU?**



# KEY POINTERS TO UNDERSTAND YOUR BALLOT

## VOTING DOWN THE BALLOT

Our ballots are more than a list of measures. They're outcomes that affect our lives, the lives of those we care about, and our communities. Your vote is your voice and it matters on every issue on the ballot.

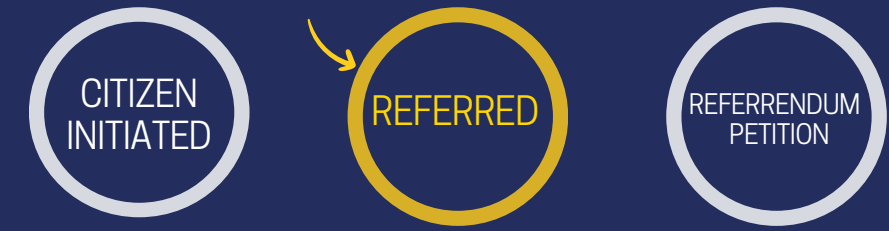
### Why are we voting in an odd year?

Colorado's Constitution, under the Taxpayer Bill of Rights (TABOR), permits certain statewide elections in odd years.

Learn more about TABOR from this short video "TABOR in Two Minutes" from the Colorado Fiscal Institute.



## HOW DID IT GET ON THE BALLOT?



Both Prop HH and Prop II are statutory measures put on the ballot via a simple majority vote by the Colorado legislature. There are other avenues for measures making it onto our ballot:

- a constitutional amendment referred by the legislature via a 2/3 vote\*
- a citizen-initiated measure to create a law or amend the constitution that makes the ballot by collecting enough voter signatures
- a referendum petition that makes the ballot by collecting enough voter signatures to place a bill passed by the legislature up for a statewide vote

\* Any constitutional amendment on the ballot that does not simply remove language from the constitution requires a supermajority vote of 55% voter approval to pass.





# KEY DATES FOR THE 2023 COORDINATED ELECTION

**BALLOTS MAILED TO  
REGISTERED VOTERS**

**OCTOBER  
16**

**VOTER SERVICE  
CENTERS OPEN**

**OCTOBER  
30**

**ELECTION DAY**

**NOVEMBER  
7**

## YOU HAVE ALL THE OPTIONS FOR VOTING:

Ballots are mailed out starting October 16th. Register online or update your registration by October 30th to receive a ballot in the mail. After that, you can visit a Voter Service and Polling Center in your county to register and vote in person up to and on Election Day.

**You can return your ballot by mail, drop it off, or vote in person.  
Check to see if your ballot is marked ID required!**

BY MAIL

If you're voting by mail, get your ballot in the mail by Monday, October 30. Don't forget postage!

DROP  
BOX

Drop off your ballot at any dropbox or Voter Service and Polling Center in the state by 7 p.m. on Election Day: Tuesday, November 7. Find locations at [JustVoteColorado.org](http://JustVoteColorado.org).

IN  
PERSON

Beginning Monday, October 30, visit any Voter Service and Polling Center in your county to vote in person. You must bring identification with you to vote in person. Find locations at [JustVoteColorado.org](http://JustVoteColorado.org).



# PROPOSITION HH

## Reduce Property Taxes and Retain State Revenue

### What would Proposition HH Do?

Decrease property taxes for homeowners and businesses over the next ten years

Allow the state to retain some of the TABOR surplus that is otherwise required to go back to taxpayers to reimburse local governments, provide schools, and rental assistance programs.

Change the TABOR rebate mechanism for tax year 2023 so all tax filers would receive the same TABOR rebate amount regardless of income level.

### About the Measure

Proposition HH is referred to voters by the legislature to address the large increase in property taxes due to the growing market values of property. Property owners have seen an average increase of 40% property value growth this year.

### What Do Property Taxes Fund?

Property taxes are collected by local governments to pay for local services like fire, water, libraries, parks, and schools.

No property taxes go to the state budget, but property tax changes can impact the state budget since Colorado funds its schools with both local and state dollars. About half of all property taxes go to schools.



# Proposition HH would reduce property taxes through several mechanisms:

- 1 Reduce assessment rates for homes and businesses.
- 2 Exempt a portion of property value from taxation for primary homeowners\*
- 3 Cap the growth in property tax collections for local governments
- 4 Expand the Senior Homestead Exemption

## How to Calculate Colorado Property Tax

$$\text{Property Tax} = \text{Property Value} \times \text{Assessment Rate} \times \text{Mill Levy}$$

Property Value: Determined locally by market value  
 Assessment Rate: Set by the state by property type  
 Mill Levy: Established at local district level

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# 1 & 2 Assessment rates and exemptions under Proposition HH

## Residential Assessment Rates

	2023	2024	2025-2032
Rates under Current Law	6.765%	6.98%	7.15%
Rates under Prop. HH	6.70%	6.70%	6.70%
Exempted Market Value under Current Law	\$15,000	\$0	\$0
Exempted Market Value under Prop. HH	\$50,000	\$40,000	\$40,000

\* Colorado does not currently treat second homes differently from primary residences, but this would change under Proposition HH. If Proposition HH is adopted, exemptions will be lower on second homes and investment properties than they are on owner-occupied homes after 2025.

## Non-Residential Assessment Rates\*

	2023	2027	2029	2031 - 2032
Non-Residential Assessment Rate - Lodging (Current Law)	27.90%	29.00%	29.00%	29.00%
Non-Residential Assessment Rate - Lodging (Prop. HH)	27.85% After \$30,000 Reduction	27.65%	26.90%	26.90%
Non-Residential Assessment Rate - Commercial (Prop. HH)	27.85%	27.65%	27.90%	27.90%

\* There are more categories for non-residential property, find them all on page 10 to the 2023 State Ballot Information Booklet, "Blue Book"



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## Cap the growth in property tax collections for local governments

Proposition HH would impose a new cap on the growth of property tax collections for districts other than school districts and home-rule districts that is equal to the annual inflation rate.

Impacted districts must reduce their mill levies to stay under the cap, or, to retain any amount of revenue growth above this cap, the governing board must hold a public hearing and take a public vote.

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## Expand the Senior Homestead Exemption

The Senior Homestead Property Tax Exemption allows seniors who have been in their homes for 10 years, or their surviving spouses, to claim property tax relief.

In current law, if senior homeowners downsize, they must wait 10 more years to reapply for the exemption. Proposition HH will allow senior homeowners who have moved to continue to claim the exemption.

**Note:** Each homeowner's savings under Proposition HH will depend on where they live, the value of their house, how much their home value goes up, and how much their local taxing districts reduce rates under the new cap on the growth in collections.



## Proposition HH raises Colorado's current revenue cap by 1% each year for the next ten years

**Proposition HH** would allow Colorado's current revenue cap to grow by an extra **1% each year**. It would allow the state to use more of the revenue it collects without increasing tax rates.

### The additional revenue would be used to:

- Back-fill school districts, fire districts, and other local governments that will see a reduction to the increase in revenue they are projected to receive as a result of lower property tax rates.
- Allocate up to \$20 million dollars per year to put into the Housing Development Grant Fund for rental assistance programs.
- Allocate additional retained revenue to the Statewide Education Fund. The State's share in funding local schools, in response to the lower local revenue due to property tax decreases.

## Proposition HH changes how 2023 TABOR rebates are distributed to taxpayers.

Under the current mechanism, the wealthiest Coloradans would receive the biggest rebate, **Proposition HH** would create an identical rebate system for 2023.

If HH passes, all taxpayers would receive the same amount. It's estimated that taxpayers will receive a \$898 rebate ( \$1,796 for joint filers). Taxpayers filing \$99,000 or below would see a higher TABOR rebate under Prop HH.

## Who would be impacted if HH Passes?

- Home and business owners will see a lower property tax bill.
  - Renters may see this relief reflected in their rent.
- Schools: Prop HH would allow the state to support dedicated money to the State Education Fund.
- All Taxpayers: Due to the identical TABOR rebate mechanism for 2023.
- Senior homeowners who qualify for the Senior Homestead Exemption will maintain eligibility even if they move.





# PROPOSITION II

## State retention of nicotine and tobacco sales tax revenue

Proposition II allows the state to keep and use \$23.65 million in tax revenue the state already collected through a recent voter-approved tax increase on nicotine and tobacco products to put towards the state's universal preschool program.

If Proposition II does not pass, these funds will be returned to nicotine and tobacco wholesalers and distributors, and the voter-approved rates on tobacco and nicotine products will be reduced.

## Why are we voting on taxes that have already been collected?

Colorado's Constitution stipulates how tax measures appear on the ballot and what decisions require a vote of the people through the Taxpayer's Bill of Rights (TABOR). TABOR requires any ballot measure seeking to increase taxes or create a new tax, must include the estimated revenue amount that will be collected in the first full year. If the state collects more money than projected, the excess revenue must be returned to taxpayers unless approved by voters to allow the state to keep and use the excess revenue.

## History of Nicotine and Tobacco Taxes

	Tax Rates on Nicotine Products	Tax Rate on Tobacco Products
<b>2016</b>	none	\$.84 per pack
<b>2020</b>	none	\$.84 per pack
<b>2022</b>	35% of price	\$1.94 per pack
<b>2024</b>	56% of price	\$2.24 per pack



## Background Information

In 2020, Colorado approved Proposition EE, raising the tax on tobacco and nicotine products to support the universal preschool program and other public initiatives. The state gathered \$208 million from this tax in its first year.

The state collected \$23.65 million more than anticipated for the 2021/2022 fiscal year. TABOR requires these extra funds to be returned to tobacco wholesalers and distributors. However, if Proposition II is approved, the state can use the excess \$23.65 million for the preschool program as intended in Proposition EE.

## Who would be Impacted if II Passes?

- Colorado Communities
  - If II passes, the state would be allowed to keep \$23.65 million it has already collected to put towards the state's Universal Preschool Program.
- Nicotine and tobacco product wholesalers and distributors
  - If II does not pass, \$23.65 million in tax revenue will be returned to these entities.
- People who purchase and manufacture nicotine and tobacco products
  - If II does not pass, the tax on these products would be reduced by a total of 11.53%.